

**Minutes of a Meeting of the Executive
held at Surrey Heath House on 6
December 2016**

+ Cllr Moira Gibson (Chairman)

+ Cllr Richard Brooks	+ Cllr Craig Fennell
+ Cllr Mrs Vivienne Chapman	- Cllr Josephine Hawkins
- Cllr Colin Dougan	+ Cllr Charlotte Morley

+ Present

- Apologies for absence presented

In Attendance: Cllr David Allen, Cllr Rodney Bates, Cllr David Mansfield and Cllr Chris Pitt

50/E Minutes

The open and exempt minutes of the meeting held on 9 November 2016 were confirmed and signed by the Chairman.

51/E Questions by Members

In response to a question from Councillor Rodney Bates, the Leader confirmed that, at its meeting on 10 January 2017, the Executive would be considering a response to the consultation on the relocation of Camberley Post Office.

52/E Arena Leisure Centre

The Executive considered a report outlining a proposed process for the replacement of the Arena Leisure Centre and seeking approval for funding the process. The current Arena contract had been extended in March 2016 for a further three years and was therefore due to expire in March 2019.

Members were informed that Condition Surveys undertaken by Hampshire County Council in 2012 had identified a need for £1.1m of structural, mechanical and engineering services work to be undertaken over the next ten years to maintain the Arena's existing service offer. Mechanical plant was likely to need replacing in five years at an estimated cost of approximately £500,000.

It was reported that an assessment of alternative sites for a new Centre had been undertaken; however, the Arena's existing site at Grand Avenue was considered to support the best business facility solution.

The cost of a new leisure facility was expected to be in the region of £10m - £15m, depending upon the type of facility procured and how any associated risks were shared with an operator. It was, therefore, proposed to develop a business case with a view to appointing an external provider to deliver, in partnership, a new self-funding leisure facility through a design, build, operate and maintain (DBOM) contract.

The project would be managed in-house with the assistance of a Member Task and Finish Group and aided by external expertise where necessary to engage in the procurement process with operators. It was intended to appoint an industry specialist to ensure that the services within the facility were the most current and would continue to protect the commercial resilience of the centre. The consultant would also provide advice on likely build costs. A budget of £95,000 was therefore sought to cover these costs. It was advised that this sum was considered to be conservative.

The Task and Finish Group's proposed Terms of Reference were noted. It was agreed that the Task and Finish Group would have 9 members, comprising 7 Conservative Group members and 2 Others Group Members; Group Leaders undertook to advise their nominations after the meeting.

RESOLVED

- (i) that the Council develops a business case with a view to appointing an external provider to deliver, in partnership, a new self-funding leisure facility through a design, build, operate and maintain (DBOM) contract;**
- (ii) to agree to the appointment of a suitable external consultant to facilitate and support the business case and procurement strategy;**
- (iii) to allocate £95,000 from reserves to cover the cost of this external expertise as well other associated legal, quantity surveying and consultation costs; and**
- (iv) to establish a member "task and finish" working group, with Terms of Reference as set out at Annex A to the agenda report, to report back to the Executive with a recommendation by June 2017.**

Note: It was noted for the record that Cllr Rodney Bates declared that members of his immediate family lived within the vicinity of the Arena Leisure Centre.

53/E Wilton Road Car Park – Consideration of Objection to the introduction of proposed Parking Places Order

The Executive was reminded that, at its meeting on 12 July 2016, it had agreed to reduce the maximum stay on Wilton Road Car Park to 5 hours except for permit holders, with free permits being provided for members of Camberley Indoor Bowling Club and a charge of £300 for an annual permit for other car park users.

An Off Street Parking Places Order had been advertised on 7 September 2016, following which an objection had been received. Members noted the objection, which had been received from an employee at a business on a nearby Business Park.

It was recognised that the changes had been introduced to address the use of Wilton Road Car Park by several businesses for all day parking to support their own business interests. Those vehicles used the car park for free all day parking, which often conflicted with short stay visitors who wished to use local facilities. The

introduction of a Maximum Stay 5 Hours, No Return, except permit holders, would stop all day parking and would ensure that parking for short stay visits up to 5 hours was maximised.

The Executive discussed a proposal to further consider introducing permits for local businesses and their employees. It was, however, felt that this would be disproportionate when compared to other car parks within the borough.

RESOLVED that the maximum stay on Wilton Road Car Park be reduced to 5 hours, except for permit holder and no return, except for permit holders for all days.

54/E The Council Tax Base and the Local Council Tax Support Scheme

The Executive received a report on the setting of the Council Tax Base for 2017/18 which reviewed the changes to Council Tax made in 2013/14 and the Local Council Tax Support Scheme (LCTSS) introduced in April 2013.

Members noted that there had been an increase in the tax base of 427.84 which would generate an additional income of £82,400 based on the current Band D council tax charge. The Executive received detailed breakdowns of the calculations of the Tax Base for each part of the Borough and a breakdown of the calculation of the Tax Base for the whole area.

Technical changes to Council Tax had been introduced from April 2013 under the Local Government Finance Act 2012 which meant that the Council was empowered to set a number of changes to Council Tax discounts and exemptions, as well as introduce a premium for long term empty properties.

On 1 April 2013 the Council had introduced a new Local Council Tax Support Scheme (LCTSS) to replace Council Tax Benefit, for working age claimants. The new scheme operated as a Council Tax discount and the Council was able to vary the value of discount on Council Tax granted to working age claimants. Pensioner claimants were protected and would continue to receive help towards their Council Tax, based on regulations set by Central Government.

The funding given by Government to fund the new scheme was insufficient to pay the full cost of granting all claimants 100% discount. Members had taken the view, when setting the scheme in January 2013, that the cost of the LCTSS should not fall on local tax payers and so had set the discount level at 70% for working age claimants, subject to a number of specific exemptions for defined vulnerable groups. Members had also agreed to put £10,000 into a hardship fund for individual cases for 2016/17.

The Council Tax Support Exceptional Hardship fund, as introduced from 1 April 2013 had a requirement that Council Tax Support must be in payment in the week in which an Exceptional Hardship fund award is made, or the applicant must have been in receipt of Council Tax Benefit on 31 March 2013. The current conditions included the criterion that Exceptional Hardship awards could be made to those in receipt of Council Tax Benefit as of 31 March 2013. It was considered that the passage of time has made this reference obsolete.

The Executive was therefore asked to recommend that the wording be amended to: "Council Tax Support must be in payment, or have been in payment, in the financial year which an award is sought, to ensure the Exceptional Hardship awards can be made to those meeting the set criteria."

In 2013/14, a separate grant of £419,000 had been received from the Government to fund the scheme. This however had been included within the overall support grant from 2014/15 onwards and was not separately identifiable. Members were reminded that in 2017/18 the Revenue Support Grant would be reduced to zero and, therefore, it was reasonable to assume that there would be no governmental support for funding the LCTSS. As a result, the Scheme may need to be reviewed with a view to increasing the amounts claimants pay from the existing 30%; this, however, would need to be balanced against claimants' ability to pay any additional council tax.

For ease of administration, it was important that there was alignment in respect of treatment of income and calculation of applicable amounts between housing benefit and the local council tax support scheme. Each year the Government made minor changes to its scheme to reflect uprating of benefits etc. In order that the housing benefit and LCTSS remained aligned, it was proposed that the Executive Head of Finance be authorised to make such minor changes as may be necessary to the LCTSS for all types of claimant.

The introduction of the LCTSS in April 2013 had had the effect of reducing the Council Tax base since it operated as a discount rather than a benefit. In order to recognise the effect that this had on parishes, the Government had provided a grant in 2013/14 to give to parishes to ensure they were no worse off because of the introduction of the LCTSS. This had amounted to £22,923. The grant had again been provided in 2014/15 but, as it had not been separately identifiable, the Council had agreed to reduce the parish element by 13% in line with the overall reduction in funding received by the Council. It was proposed that no reduction be made in the current financial year and that the situation be reviewed again in 2018/19 in the light of further anticipated Government funding reductions. This would also mean that Parishes would not have to increase their precepts in 2017/18 just to cover any grant reduction.

Members noted that the Performance and Finance Scrutiny Committee had considered establishing a Working Group to look at the impact of welfare changes. It was suggested that, if this Working Group was established, it could review whether people in need were accessing the Hardship Fund and also consider whether the Scheme might need to change in 2018/19 in view of expected government funding.

RESOLVED

- (i) to note the calculations of the tax base in Annexes A to F summarised below:**

Band D Equivalent Properties

Bisley	1,566.16
Chobham	1,960.49
Frimley and Camberley	23,664.75
West End	2,027.92
Windlesham	8,098.72

Surrey Heath Borough Council 37,318.04

- (ii) to note that the changes to Council Tax discounts made by Executive on 7 January 2014 under the freedoms given in the Local Government Finance Act 2012 and relevant statutory instruments remain unchanged for 2017/18;
- (iii) that £19,943.44 be given to Parishes in 2017/18 to offset the effect on the tax base of the Local Council Tax Support scheme; and
- (iv) that the final setting of the Tax Base be delegated to the Executive Head of Finance.

RECOMMENDED to Full Council that

- (i) the Local Council Tax Support Scheme for Surrey Heath, approved by Council on 22 January 2013, remains unchanged for 2017/18;
- (ii) bullet point 7 of the background at Section 1 of the Council Tax Exceptional Hardship Policy be amended to state that Council Tax Support must be in payment, or have been in payment, in the financial year which an award is sought, to ensure the Exceptional Hardship awards can be made to those meeting the set criteria;
- (iii) the Executive Head of Finance be authorised to make minor changes to the Local Council Tax Support scheme so as to ensure that where applicable to income calculation it remains in line with Housing Benefit changes introduced by legislation; and
- (iv) incomes and applicable amounts and non-dependant deductions be uprated in line with the percentages and amounts supplied by DWP and DCLG, and applied to Housing Benefit claims.

55/E Appointment of External Auditor

The Executive was informed that the Council was required to have an external audit, which must be conducted by one of the firms approved by the Government.

As part of disbanding the Audit Commission, the Government had novated external audit contracts to Public Sector Audit Appointments (PSAA) on 1 April 2015. The audits had been due to expire following conclusion of the audits of the 2016/17 accounts, but could be extended for a period of up to three years by PSAA, subject to approval from the Department for Communities and Local Government.

In October 2015 the Secretary of State had confirmed that the transitional provisions would be amended to allow an extension of the contracts for a period of one year. This meant that, for the audit of the 2018/19 accounts, it would be necessary for authorities to either undertake their own procurements or to opt into the appointed person regime.

It was likely that a sector wide procurement conducted by PSAA would produce better outcomes for the Council than any procurement it undertook by itself or with a limited number of partners. Use of the PSAA would also be less resource intensive than establishing an auditor panel and conducting its own procurement. The approach was supported by the Local Government Association and over 200 Councils had signified their interest.

RECOMMENDED to Full Council that the Council opts into the appointing person arrangements made by Public Sector Audit Appointments for the appointment of external auditors.

56/E Community Infrastructure Levy

The Executive considered a report detailing the amount of Community Infrastructure Levy (CIL) received between 1 April and 30 September 2016.

The Council was required to pass a proportion of CIL receipts to Parish Councils. The proportion of CIL receipts was 15%, capped at £100 per existing council tax property per year, or 25% uncapped where there was a Neighbourhood Plan in place. It was noted that at that time no Neighbourhood Plans had been adopted. A payment of £8,190.00 had been made to Windlesham Parish Council on 28 October 2016.

In June 2015 the Executive had agreed that, in line with the parished areas, 15% of CIL collected would be available to spend for non-parished areas. It was noted that the amounts collected to date were as follows:

- Parkside - £17,604.00
- St Michaels - £1,323.00
- Town - £31,515.31
- Watchetts - £2,781.00

A list of schemes for which this CIL money, together with any remaining Planning Infrastructure Contributions, would be submitted to the Executive in March 2017 for consideration.

RESOLVED to note

- (i) the CIL monies received; and
- (ii) that the 15% of CIL funds from Parish areas received for the reporting period 1st April 2016 -30th September 2016 was transferred on 28th October 2016 to those Parish Councils where development has occurred, as required by the legislation

57/E Surrey Heath Local Development Framework – Authorities Monitoring Report 2015/16

The Executive considered the Surrey Heath Authorities Monitoring Report (AMR) which had been produced in line with the requirements set out in the Localism Act 2011, which stated that a report must be produced and planning authorities must publish this information direct to the public at least yearly. The AMR reported on the period from 1st April 2015 to 31st March 2016.

The purpose of the AMR was to provide details of the actions which had been taken to implement a Local Development Plan and the Local Development Scheme, to indicate the extent to which policies in the current Surrey Heath Local Plan had been achieved, and to identify any solutions and changes where targets were not being met.

Concern was expressed that, over the plan period to date, around only 5% of completed dwellings had affordable housing, against a Core Strategy and Development Management Policy target of 35%. Officers undertook to provide further information in relation to the completed developments with over 10 units and why the target had not been achieved.

In relation to the missed Gypsy and Traveller pitches target, it was suggested that this would be considered as part of the Local Plan review.

RESOLVED that the Surrey Heath Local Plan Authorities Monitoring Report, as set out at Annex A to the agenda report, be approved for the purpose of making the document publically available at the Council offices and on the Council's website.

58/E Camberley Town Centre Working Group

The Executive was reminded that the Camberley Town Centre Working Group, as currently constituted, had been set up solely to deal with the Camberley Town Centre Business Improvement District.

Members were informed that, as the elections for the BID had now been completed, it was proposed that the Terms of Reference for this working group be amended to enable it to consider proposals to improve and promote the High Street Camberley.

RESOLVED that the Terms of Reference for the Town Centre Working Group be amended as set out in Annex 1 of the agenda report.

59/E Council Finances as at the 30th September 2016

The Executive considered a report detailing the Council's finances at 30 September 2016.

It was reported that in that quarter £1,929,000 had been spent on capital projects, of which the largest share, £945,000 had been spent on the acquisition of commercial properties. Other significant expenditure had been £464,000 on Disabled Facilities Grants, which had attracted additional grant income from Surrey County Council.

Sundry debts, at 30 September 2016, amounted to £884,000, which compared with £610,000 for the same period the previous year. It was, however, noted that £181,000 of this related to new quarterly billing for industrial estate properties, where the processing method was under review, and that SANGS payments were now being processed via the debtor's system, which would continue to distort ongoing debt levels.

The Housing Benefit debts balance was £629,000 at 30 September 2016, similar to the previous quarter.

It was noted that, although parking income had increased by 6% compared to the same period the previous year, it had not achieved the 11% target in the budget; it was, however, considered that this target could be achieved by the end of the financial year.

RESOLVED to note the Revenue, Treasury and Capital Position as at 30th September 2016.

60/E Treasury Management Mid-year Report for 2016/17

The Executive noted the Treasury Management performance for 2016/17 as at 30th September 2016 and compliance to-date with the Prudential Indicators for 2016/17.

RESOLVED to note the Treasury Management Mid-Year report 2016/17.

61/E Exclusion of Press and Public

In accordance with Section 100(A)(4) of the Local Government Act 1972, the press and public were excluded from the meeting for the following items of business on the ground that they involved the likely disclosure of exempt information as defined in the paragraphs of Part 1 of Schedule 12A of the Act as set out below:

Minute	Paragraph(s)
50/E (part)	3
62/E	3
63/E	3

Note: Minute 62/E is a summary of matters considered in Part II of the agenda, the minutes of which it is considered should remain confidential at the present time.

62/E Renewal of the Lease of the Mytchett Bowls Club, Hamesmoor Road

The Executive made decisions in relation to the renewal of the lease for Mytchett Bowls Club.

63/E Review of Exempt Items

The Executive reviewed the reports which had been considered at the meeting following the exclusion of members of the press and public, as it involved the likely disclosure of exempt information.

RESOLVED that minute 62/E and the associated agenda report remain exempt until the completion of the lease negotiations.

Chairman